

IN THE CLAIMS:

Please amend claims 1, 32 and 35-37 as follows:

1. (Currently Amended) An Internet advertising system comprising:

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a multimedia presentation comprising at least one component selected from a group consisting of computer generated animation graphics, animated graphics and full-motion video, a given item within the selected component of the multimedia presentation represented by containing an embedded placeholder, the embedded placeholder programmed to follow a series of actions of the given item within the multimedia presentation;

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a set of advertisements corresponding to the embedded placeholder, each advertisement being indexed by at least one demographic indicator;

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means for identifying at least one demographic characteristic of a user;

means for selecting one advertisement from the set of advertisements, the selector means including a comparison of the user's at least one demographic characteristic with the at least one demographic indicator of each advertisement to select the most relevant advertisement for the user;

means for inserting the selected advertisement into the embedded placeholder of the multimedia presentation, the inserter